

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

SCOTT L. BAENA, LITIGATION TRUSTEE
OF THE LERNOUT & HAUSPIE SPEECH
PRODUCTS N.V. LITIGATION TRUST

Plaintiff,

- v -

KPMG LLP and KLYNVELD PEAT MARWICK
GOERDELER BEDRIJSREVISOREN,

Defendants.

Civil Action No. 04-12606

**DEFENDANT KPMG LLP'S RESPONSE TO THE JOINT
MOTION OF PLAINTIFF AND DEFENDANT KLYNVELD
PEAT MARWICK GOERDELER BEDRIJSREVISOREN
TO EXTEND RESPONSE DEADLINE AND RESCHEDULE HEARINGS**

KPMG LLP ("KPMG US") respectfully submits this brief response to clarify its position with regard to the joint motion to Extend Response Deadline and Reschedule Hearing ("Joint Motion") filed by the L&H Litigation Trustee ("Plaintiff") and Defendant Klynveld Peat Marwick Goerdeler Bedrijfsrevisoren ("KPMG Belgium") on January 21, 2005, and states as follows:

1. At the request of counsel for Plaintiff, counsel for KPMG US agreed to give Plaintiff an extension until February 11, 2005 to respond to KPMG US's Motion to Dismiss this action. Plaintiff made this request, and KPMG US granted the extension, before the parties learned that the Court had set February 2, 2005 as a hearing date for KPMG US's and KPMG Belgium's motions to dismiss.

2. On January 20, 2005 the parties received notice from the Court that the motions to dismiss were set for hearing on February 2, 2005.

3. In the Joint Motion, which seeks to adjourn the February 2 hearing date, Plaintiff misstates KPMG US's position and inaccurately characterizes a January 21, 2005 telephone conference between counsel for KPMG US and counsel for Plaintiff. In that teleconference, counsel for KPMG US: (1) acknowledged its prior agreement to give Plaintiff the requested briefing extension and (2) reported that KPMG US would not oppose the Joint Motion seeking to adjourn the February 2 hearing date set by the Court, but KPMG US did not want to jointly move in support of the request for an adjournment of the hearing date. Counsel for KPMG US explained to counsel for Plaintiff that KPMG US stands ready to address its Motion to Dismiss this action as soon as possible and at the Court's convenience. Accordingly, although KPMG US does not oppose the motion for adjournment, it did not wish itself to move the Court to reschedule the hearing if the Court intended to proceed on February 2, 2005.

4. Thus, contrary to the statement in the Joint Motion, KPMG US did not "refuse[] to agree to briefly postpone the hearing date."

Dated: January 24, 2005

Respectfully Submitted,

/s/ Kristin Glennan McGurn
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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the above document was served upon the attorney of record for each party electronically and by first-class mail on January 24, 2005.

/s/ Kristin G. McGurn